

Comparison versus North Dakota

SENATE

Joint  
TAS

Exhibit No.

2

Date

5-10-07

SB-7

**Project Summary**

**Investment**

500 MW IGCC Power Plant with CO2 capture	\$ 1,284,000,000
3 million ton/year lignite coal mine	\$ 75,000,000
100 mile transmission interconnect line	\$ 75,000,000
100 mile CO2 sequestration pipeline	\$ 105,000,000
	\$ 1,539,000,000

**Montana**

**State Tax Summary**

**Current**

Power Plant	
Property Taxes @ 6%	\$ 13,734,006
Income Taxes @ 6.75%	\$ 5,201,394
Generation Tax @ \$0.00020/kWh	\$ 788,400
Total	\$ 19,723,799
Coal Mine	
Property Taxes @ 3%	\$ 498,340
Income Taxes @ 6.75%	\$ 303,750
Severance Taxes @ 10% (lignite)	\$ 2,759,400
Gross Proceeds Taxes @ 5%	\$ 1,379,700
RIT Taxes @ 0.4%	\$ 110,376
Total	\$ 5,051,566
Transmission Line	
Property Taxes @ 12%	\$ 4,183,830
Income Taxes @ 6.75%	\$ 303,750
WET Tax @ \$0.00015/kWh	\$ 591,300
Total	\$ 5,078,880
Pipeline	
Property Taxes @ 12%	\$ 5,857,362
Income Taxes @ 6.75%	\$ 425,250
Total	\$ 6,282,612
<b>TOTAL STATE TAXES</b>	<b>\$ 36,136,857</b>

Senator Jeff Essmann  
5/10/2007

1	Project Summary	Investment
2		
3	500 MW IGCC Power Plant with CO2 capture	\$ 1,284,000,000
4	3 million ton/year lignite coal mine	\$ 75,000,000
5	100 mile transmission interconnect line	\$ 75,000,000
6	100 mile CO2 sequestration pipeline	\$ 105,000,000
7		\$ 1,539,000,000

1	State Tax Summary	North Dakota
2		
3	Power Plant	
4	Coal Conversion Taxes	\$ 2,522,880
5	Property Taxes	\$ 154,467
6	Income Taxes @ 6.5%	\$ 5,008,749
7	Total	\$ 7,686,096
8		
9	Coal Mine	
10	Property Taxes	\$ 18,879
11	Income Taxes @ 6.5%	\$ 292,500
12	Severance Taxes @ \$0.395/ton	\$ 1,197,762
13	Total	\$ 1,509,140
14		
15	Transmission Line	
16	Property Taxes	\$ 30,000
17	Income Taxes @ 6.5%	\$ 292,500
18	Total	\$ 322,500
19		
20	Pipeline	
21	Property Taxes	\$ 1,251,968
22	Income Taxes @ 6.5%	\$ 409,500
23	Total	\$ 1,661,468
24		
25		
26	TOTAL STATE TAXES	\$ 11,179,204

<b>Project Summary</b>	<b>Investment</b>
500 MW IGCC Power Plant with CO2 capture	\$ 1,284,000,000
3 million ton/year lignite coal mine	\$ 75,000,000
100 mile transmission interconnect line	\$ 75,000,000
100 mile CO2 sequestration pipeline	\$ 105,000,000
	<u>\$ 1,539,000,000</u>

<b>State Tax Summary</b>	<b>Montana SB562</b>
Power Plant	
Property Taxes @ 3%	\$ 6,867,003
Income Taxes @ 6.75%	\$ 5,201,394
Generation Tax @ \$0.00020/kWh	\$ 788,400
Total	<u>\$ 12,856,796</u>
Coal Mine	
Property Taxes @ 3%	\$ 498,340
Income Taxes @ 6.75%	\$ 303,750
Severance Taxes @ 10% (lignite)	\$ 2,759,400
Gross Proceeds Taxes @ 5%	\$ 1,379,700
RIT Taxes @ 0.4%	\$ 110,376
Total	<u>\$ 5,051,566</u>
Transmission Line	
Property Taxes @ 3%	\$ 1,045,958
Income Taxes @ 6.75%	\$ 303,750
WET Tax @ \$0.00015/kWh	\$ 591,300
Total	<u>\$ 1,941,008</u>
Pipeline	
Property Taxes @ 3%	\$ 1,464,341
Income Taxes @ 6.75%	\$ 425,250
Total	<u>\$ 1,889,591</u>
<b>TOTAL STATE TAXES</b>	<b>\$ 21,738,960</b>

**Project Summary****Investment**

500 MW IGCC Power Plant with CO2 capture	\$ 1,284,000,000
3 million ton/year lignite coal mine	\$ 75,000,000
100 mile transmission interconnect line	\$ 75,000,000
100 mile CO2 sequestration pipeline	\$ 105,000,000
	<u>\$ 1,539,000,000</u>

**Montana****State Tax Summary****HB405**

Power Plant	
Property Taxes @ 1.5%	\$ 3,433,501
Income Taxes @ 6.75%	\$ 5,201,394
Generation Tax @ \$0.00020/kWh	\$ 788,400
Total	<u>\$ 9,423,295</u>
Coal Mine	
Property Taxes @ 3%	\$ 498,340
Income Taxes @ 6.75%	\$ 303,750
Severance Taxes @ 5% (lignite)	\$ 1,379,700
Gross Proceeds Taxes @ 5%	\$ 1,379,700
RIT Taxes @ 0.4%	\$ 110,376
Total	<u>\$ 3,671,866</u>
Transmission Line	
Property Taxes @ 1.5%	\$ 522,979
Income Taxes @ 6.75%	\$ 303,750
WET Tax @ \$0.00015/kWh	\$ 591,300
Total	<u>\$ 1,418,029</u>
Pipeline	
Property Taxes @ 1.5%	\$ 732,170
Income Taxes @ 6.75%	\$ 425,250
Total	<u>\$ 1,157,420</u>
<b>TOTAL STATE TAXES</b>	<b>\$ 15,670,610</b>